

**QL RESOURCES BERHAD (428915-X)**  
(Incorporated in Malaysia)

Minutes of the Company's 21<sup>st</sup> Annual General Meeting held at Saujana Ballroom, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 28 August 2018 at 10.00 a.m.

- Chairman : Dr Chia Song Kun (“Dr Chia”/the Chairman”)
- Present : Mr Chia Song Kooi (“SKooi”)  
Mr Chieng Ing Huong, Eddy  
Mr Chia Seong Pow  
Mr Chia Seong Fatt  
Mr Chia Mak Hooi, Mark  
Mr Cheah Juw Teck, Eric  
Mr Chia Lik Khai  
Mr Tan Bun Poo, Robert  
Prof. Datin Paduka Dato’ Dr Aini Binti Ideris  
Ms Kow Poh Gek  
Ms Cynthia Toh Mei Lee  
Ms Chan Wai Yen, Millie  
Ms Ng Geok Ping, Yvonne (Company Secretary)
- Absent with : Mr Chia Song Swa  
apology
- In attendance : The attendance of shareholders, proxies, corporate representatives,  
press and invitees are set out as per the attendance list.

**1) CALLING OF MEETING TO ORDER**

The Chairman welcomed the shareholders and attendees to QL’s 21<sup>st</sup> Annual General Meeting (“Meeting”) and introduced each of the Board of Directors (“Board”) as well as the Company Secretary. He informed that Mr Chia Song Swa was unable to attend the Meeting due to medical reason. Thereafter, he called the Meeting to order.

**2) QUORUM AND NOTICE OF MEETING**

There being a quorum present, the Chairman declared the Meeting duly convened. With the notice taken as read, the Chairman proceeded to the Agenda proper.

**3) REGISTER**

The Company Secretary informed that the share register and statutory books were in order and available for inspection at the Meeting.

**4) PROXIES**

The Company Secretary reported that there were 176 proxy forms including certificates of representatives representing approximately 61% of the total voting rights received for the Meeting.

5) **VOTING PROCEDURES**

The Chairman informed the shareholders that pursuant to Paragraph 8.29A of the Main Listing Requirements of Bursa Malaysia Securities Berhad (“MLR”), all resolutions must be voted by poll.

The Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) as the Poll Administrator to conduct the polling voting via electronic devices, and Deloitte Risk Advisory Sdn. Bhd. (formerly: Deloitte Enterprise Risk Services Sdn. Bhd.) (“Deloitte”) as an Independent Scrutineer to verify the poll results.

The polling process for all resolutions would be conducted upon completion of the deliberation of all items to be transacted at the Meeting.

6) **AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018 TOGETHER WITH THE DIRECTORS’ AND AUDITORS’ REPORT (“AFS”)**

The Chairman informed the shareholders that the AFS is meant for discussion only and the Board and/or Management will address any questions arising from the said AFS after the following presentations.

The Chairman invited SKooi, the Group Managing Director to give the presentation of QL Group’s businesses and outlook, which covered the following areas as set out in “**Appendix A**” enclosed herein:-

- a) Performance Review of FY 2018 vs FY 2017;
- b) Past Financial Trend & Summary;
- c) Significant operational highlights for FY2018;
- d) Summary of 1<sup>st</sup> quarter earnings results: Q1FY19 vs Q1FY18; and
- e) Overall outlook for FY2019.

Thereafter, Mr Freddie Yap, QL’s Head - Financial Reporting & Investor Relations was invited to present the Company’s responses as set out in “**Appendix A**” (slide nos. 19-26) in respect of the questions raised by the Minority Shareholder Watchdog Group (“MSWG”) via its letter dated 17 August 2018.

After the abovementioned presentations, the Chairman invited the shareholders for questions and comments with regards to the AFS. The said questions and comments were responded by the Board and key management summarised in “**Appendix B**” as enclosed. Thereafter, the AFS were received by the shareholders following the completion of this session.

7) **CONDUCT FOR ALL RESOLUTIONS**

The Chairman proceeded with the remaining agendas of the meeting. The motion of each resolution was put to the floor for questions. There were no questions raised by the shareholders/proxies with regards to Resolution 1 to Resolution 14 other than those mentioned in item no. 9.9.

8) **ANY OTHER BUSINESS**

Upon confirmation from the Company Secretary that the Company had not received any notice for transaction of any other business for this Meeting, the Chairman declared the Meeting be adjourned for poll voting.

9) **POLLING PROCEDURES AND POLLING RESULTS**

The shareholders/proxies then proceeded to cast their vote via e-voting system. Thereafter, Tricor and Deloitte conducted the poll and the tabulation of the votes.

At 11.55 a.m., the Meeting was reconvened by the Chairman. The Chairman invited Mr Anthony Tai of Deloitte to read out the poll results for each resolution to the Meeting.

The poll results for the respective resolution are as follows:-

9.1 Payment of a final single tier dividend of 4.50 sen per ordinary share ("Final Dividend") (Resolution 1)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	1,005,431,227	100.00
Voted AGAINST	0	0
	<u>1,005,431,227</u>	<u>100.00</u>

It was resolved that the payment of a final single tier dividend of 4.50 sen per ordinary share in respect of the financial year ended 31 March 2018 be hereby approved.

9.2 Re-election of Dr Chia Song Kun (Resolution 2)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	1,003,430,307	99.915
Voted AGAINST	851,890	0.085
	<u>1,004,282,197</u>	<u>100.00</u>

It was resolved that Dr Chia Song Kun who retired be duly re-elected as Director of the Company.

9.3 Re-election of Mr Chia Seong Fatt (Resolution 3)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	1,001,163,110	99.689
Voted AGAINST	3,119,097	0.311
	<u>1,004,282,197</u>	<u>100.00</u>

It was resolved that Mr Chia Seong Fatt who retired be duly re-elected as Director of the Company.

9.4 Re-election of Mr Chia Song Kooi (Resolution 4)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	1,004,282,197	100.00
Voted AGAINST	0	0.00
	<u>1,004,282,197</u>	<u>100.00</u>

It was resolved that Mr Chia Song Kooi who retired be duly re-elected as Director of the Company.

9.5 Re-election of Ms Kow Poh Gek, Ms Chan Wai Yen, Millie And Ms Cynthia Toh Mei Lee (Resolution 5, 6 & 7)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	1,004,282,197	100.00
Voted AGAINST	0	0.00
	<u>1,004,282,197</u>	<u>100.00</u>

The Chairman informed the Meeting that Ms Kow Poh Gek, Ms Chan Wai Yen, Millie and Ms Cynthia Toh Mei Lee were appointed to the Board on 1 April 2018 and will retire at this Meeting in accordance with Article no. 103 of the Company's constitution.

There being no objection from the shareholders, the resolution 5, 6 and 7 was proceeded concurrently.

It was resolved that Ms Kow Poh Gek, Ms Chan Wai Yen, Millie and Ms Cynthia Toh Mei Lee who retired be duly re-elected as Directors of the Company.

9.6 Directors' Fees For FY2019 (Resolution 8)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	955,630,642	100.00
Voted AGAINST	0	0
	<u>955,630,642</u>	<u>100.00</u>

It was resolved that the payment of Directors' fees and benefits amounting to RM1,062,000 and RM42,000 respectively, commencing from the conclusion of this meeting up till the conclusion of the next Annual General Meeting in year 2019.

9.7 Directors' Benefits (Resolution 9)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	1,005,431,227	100.00
Voted AGAINST	0	0
	<u>1,005,431,227</u>	<u>100.00</u>

It was resolved that the additional payment of Directors' benefits of RM5,000 for the period from 1 February 2018 to 31 August 2018 following the restructuring of the Board with effect from 1 April 2018 with additional Independent Non-Executive Directors on the Board be hereby approved.

9.8 Re-appointment of Messrs KPMG PLT ("KPMG") as Auditors (Resolution 10)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	1,005,431,227	100.00
Voted AGAINST	0	0
	<u>1,005,431,227</u>	<u>100.00</u>

It was resolved that Messrs KPMG be duly re-appointed as Auditors of the Company for the current year and that the Directors be authorised to fix their remuneration.

9.9 Retention of Independent Non-Executive Director who served more than 9 years (Resolution 11)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	980,446,390	97.515
Voted AGAINST	24,984,837	2.485
	<u>1,005,431,227</u>	<u>100.00</u>

With regards to the retention of Mr Chieng Ing Huong, Eddy ("Eddy") as Independent Non-Executive Director, Dr Chia mentioned to the Meeting that Mr Eddy has met the criteria of an Independent Director as defined in Chapter 1 of the MLR.

Dr Chia added that Eddy has performed his duty diligently and in the best interest of the Company and has provided independent judgement and broader views and balanced assessments to the proposals from the Management with his diverse experience and expertise. The Board, therefore recommended that he should be retained as an Independent Non-Executive Director.

Eddy was invited by Dr Chia to express his thoughts on this resolution.

Eddy thanked the Board for having him as part of QL's Board. He commented that his intention to retire from the Board was initiated last year after the former chairman of QL, Tengku Dato' Zainal Rashid bin Tengku Mahmood decided to retire from the Board as well as the Board's decision to restructure the composition of the board and board of committees, which include, among others, to have majority of independent directors in the Board.

Overall, the abovementioned restructuring was done harmoniously and smoothly. With that, Dr Chia has become the Executive Chairman, SKooi had been re-designated as the Group Managing Director, 3 female candidates had been appointed as the new Independent Directors and 3 executive directors had been re-appointed as alternate directors.

Eddy told the Meeting that he will remain in the Board to oversee and ensure a smooth transitional period after the said restructuring. This was agreed upon with Dr Chia prior to the restructuring. Therefore, he took over the Chairman's role of the board committees that was held by the former Chairman.

Eddy added that he has maintained his independence in QL by not holding shares directly or indirectly in the Company even though he has sat in the Board for 16 years. This is a form of discipline that he has undertaken to demonstrate his responsibility as an Independent Director.

Eddy further added that as an Independent Director and a person with entrepreneurial background, he is able to understand the direction of the Company and the Group. This enables him to ensure that the shareholders' interest are safeguarded. As an Independent Director, he does not interfere with the business and management of the Company but encourages the executive directors and Management to operate in the best practices within the right framework. Additionally, he together with the Internal Auditors and External Auditors continues to ensure that all the best practices are inculcated in the Company since it is a family run Company.

Lastly, Eddy ended his note by thanking the Board for the good experience that he acquired during his tenure in QL and wished the Company success in the future.

Mr Quah Ban Aik from MWSG was satisfied with Eddy's explanation and sharing. He noted the appointment of the 3 new Independent Directors and agreed on the need to have a smooth transitional process. He pointed out that the 2 tier voting process for such resolution as guided by the MCCG 2017 (Malaysian Code on Corporate Governance 2017) need not be carried out in the next AGM since Eddy has committed to retire by next year. Nonetheless, the Board has the discretion to apply the 2 tier voting process, if need be.

Mr Chua Kong Khai enquired whether the Company will implement a policy or setting a framework to limit the tenure of directorship for Independent Directors.

In reply to Mr Chua's enquiry, Eddy said that the Nominating Committee ("NC") has a robust framework in place with regards to the board composition in order to ensure a check and balance within the Board as well as to protect the interest of shareholders. This can be seen through the appointment of additional Independent Directors.

Further, the Company is moving towards adopting the practices relating to the retention of Independent Directors of not more than 9 years as stated in MCCG 2017 as it is necessary for QL to adopt these best practices being one of the listed companies with RM10 billion market capitalisation.

Mr Quah mentioned that the Board has the discretion to seek shareholders' approval on the retention of Independent Non-Executive Director. The Board noted.

There being no other comments from the floor, it was resolved that approval be and is hereby given to Chieng Ing Huong, Eddy who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than sixteen (16) years, to continue to act as an Independent Non-Executive Director of the Company.

9.10 Authority to Allot and Issue Shares (Resolution 12)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	985,030,626	97.971
Voted AGAINST	20,400,601	2.029
	<u>1,005,431,227</u>	<u>100.00</u>

The Chairman informed the Meeting that the Board shall be seeking shareholders' consent for the renewal of the general authority for the Directors to allot and issue shares pursuant to Section 75 and Section 76 of the Companies Act 2016 as it will give the Board certain level of flexibility to allot and issue shares, as and when the need arises, hence, shareholders' approval will be appreciated as it will also reduce the time and cost that would be involved in calling for a general meeting.

It was resolved that pursuant to Section 75 and Section 76 of the Companies Act 2016, and subject to the approval of all relevant authorities being obtained, the Directors be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company.

9.11 Proposed Renewal of Share Buy Back Authority (Resolution 13)

	<u>Number of Shares</u>	<u>%</u>
Voted FOR	1,005,431,227	100.00
Voted AGAINST	0	0
	<u>1,005,431,227</u>	<u>100.00</u>

The Chairman commented that this resolution will allow the Company to purchase up to 10% of QL's issued and paid-up share capital at the point of purchase on Bursa Malaysia Securities Berhad through the Company's appointed stockbroker(s).

It was resolved that approval be and is hereby given to the Company to, from time to time, purchase through Bursa Malaysia Securities Berhad ("Bursa Securities") such number of ordinary shares in the Company ("Share(s)") and/or retain such Shares so purchased as treasury shares ("Treasury Share(s)") as may be determined by the Directors of the Company upon such terms and conditions as the Directors may deem fit and expedient in the best interests of the Company provided that the aggregate number of Shares purchased and/or retained as Treasury Shares shall not exceed 10% of the total number of issued shares of the Company at the time of purchase ("Proposed Renewal of Share Buy Back Authority");

That the maximum amount of funds to be utilised for the purpose of the Proposed Renewal of Share Buy Back Authority shall not exceed the Company's aggregate retained profits;

That upon the purchase by the Company of its own Shares, the Directors of the Company be and are hereby authorised to:-

- (a) cancel all or part of the Shares so purchased;
- (b) retain all or part of the Shares so purchased as Treasury Shares;
- (c) distribute the Treasury Shares as share dividends to the Company's shareholders for the time being;
- (d) transfer the Treasury Shares, or any part thereof as purchase consideration and/or for the purposes of or under an employees' share scheme; and/or
- (e) to resell the Treasury Shares on Bursa Securities;

That such authority from shareholders of the Company will be effective immediately upon passing of this ordinary resolution and will continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority shall lapse unless by ordinary resolution passed at that meeting the authority is renewed either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities or any other relevant authority;

And that authority be and is hereby given to the Directors of the Company to take all such steps as are necessary, including the opening and maintaining of a central depositories account(s) and entering into all other agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to and to implement the Proposed Renewal of Share Buy Back Authority with full powers to assent to any conditions, modifications, revaluations, variations and/ or amendments (if any) as may be required or imposed by the relevant authorities from time to time and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company.

9.12 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of RRPT Mandate") (Resolution 14)

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	<u>Number of Shares</u>	<u>%</u>
Voted FOR	99,477,541	99.992
Voted AGAINST	7,800	0.008
	<u>99,485,341</u>	<u>100.00</u>

The Company Secretary had advised that the interested Directors, interested major shareholders or interested persons connected with them must not vote on this resolution.



It was resolved that approval be and is hereby given to the Company and its subsidiaries to renew the shareholders' mandate for the recurrent related party transactions of a revenue or trading nature as set out in Part B, Section 2.4 of the Circular to Shareholders dated 27 July 2018 with the related parties described therein which are necessary for the Group's day to day operations, carried out in the normal course of business, at arm's length, on normal commercial terms, not more favourable to the related parties than those generally available to the public and are not detriment of the minority shareholders;

That such approval shall continue to be in force until:-

- (i) the conclusion of the next annual general meeting of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next annual general meeting after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting;

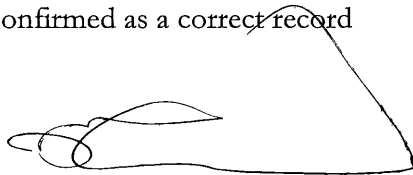
whichever is the earlier, and that the Directors of the Company be authorised to complete and do all such acts and things (including all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of RRPT Mandate.

With the results being read and duly announced, the Chairman declared that all resolutions tabled were carried.

#### 10) CLOSE OF MEETING

There being no other business to be transacted, the Meeting was closed at 12.20 p.m. with a vote of thanks to the Chair.

Confirmed as a correct record



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CHIA SONG KUN,  
Chairman

Dated: 27 September 2018